

## **EXHIBIT 1-5**

diverted because he was the orchestrator of the Mexican bond scheme, purchased in U.S. dollars and ultimately are titled in his name. Harriot thereby was the alter ego of Grant Capital by using Grant Capital as a mere instrumentality to further his own personal activities and gain, and used the corporation to perpetrate a fraud on the plaintiffs. Angelov also was the alter ego of All Seas Management in that he used All Seas Management as a mere instrumentality to further his own personal activities and gain, and used the corporation to perpetrate a fraud on the plaintiffs. These activities were not a part of the contract and violated the terms of the September 15, 2009 and the June 4, 2010 agreements as well as the terms of the two FIB SBP loans.

48. As a direct, proximate, and foreseeable result of their breach, plaintiffs suffered damages in the ultimate loss of the Funds to defendants' scheme.
49. Angelov, Harris and FIB knew their actions breached the contracts, were fraudulent, self-serving, done in bad faith, and purposefully designed to ultimately defraud the plaintiffs and violate the law which recent became known to plaintiffs.
50. In furtherance of these bad acts, Harris, Angelov, and FIB on December 29, 2009 entered into a third FIB SBP construction loan, which funds were used to pay the interest payments on the previous two FIB SBP construction loans of 2007 and 2008 (See Exhibit C attached hereto and incorporated by reference herein). This action was designed to hide from Bulgarian bank regulators the illegality of the purposeful diversion of funds from the 2007 and 2008 loans.
51. The diversion of the Funds from the SBP to Malta by Harris, Angelov, and FIB was made possible only with the necessary participation by FIB as FIB fraudulently authorized the release of the construction loan funds to Malta. These loan funds could not be transferred to Malta unless the bank specifically approved the transfers. FIB authorized and enabled

the proceeds by way of FIB-authorized and -issued payment orders sent through the SWIFT banking communications system on the following dates: November 26, 2007; November 29, 2007; November 30, 2007; December 3, 2007; October 8, 2008; December 31, 2009; and January 20, 2010.

52. Ayr failed to fund SBP, which ultimately compelled Harris to file for bankruptcy for Ayr's subsidiary, ADP, in Bulgaria in February, 2011, through which the SBP property was sold on December 15, 2012 for \$65,209,976 (97,500,000 BGN) ("the Funds") and the Funds from that sale on January 14, 2013 (\$66,506,142) (97,500,000 BGN) were placed in ADP's interest-bearing bank accounts in CCB. The Funds in the CCB accounts were an Ayr asset which the defendants, *inter alia*, wrongfully and deceitfully divested from the plaintiffs through conspiracy.
53. Upon information and belief, two groups participated in a coordinated conspiracy which resulted in the theft of the Funds to which the Ayr Logistics creditors in the U.S Bankruptcy proceeding in Dallas, Texas are entitled to as claimants.
54. Upon information and belief, the First Group consisted of Ayr, Harris, Harriott, Angelov, and FIB, and FIB's shareholders Minev, Mutafchiev, Mellon Bank, and Eaton Vance (hereinafter "First Group"). These defendants conspired to create fraudulent loans against the Ayr Silver Beach property through Ayr's wholly owned Bulgarian subsidiary, APD, which ultimately enabled Harris, Harriott, and Angelov in conjunction with FIB and FIB shareholders to abscond with the money from the SBP construction loans for personal gain in Mexican bonds and opened the door for FIB to gain control and become the title owner over the Funds and steal them for its own benefit and that of other defendants in the Second Group, Peevski, BNB, VTB, NSN, BT, Lyutov, Kostadinchev, Tabak Market, Cibole, Asteria, Vili Vist, and Promishleno Stroitelstvo Holding (hereinafter the "Second Group").



55. From October 2009 through December 2014, Harris, Harriott, Angelov, and FIB devised a scheme, colluded, and acted intentionally and concertedly to disguise the money transfers to All Seas Management Ltd., an entity owned and controlled solely by Chavdar Angelov and Blue Finance Limited, an entity owned and controlled solely by Chavdar Angelov, both Marshall Island registered entities, to look like legitimate investments in a large property development project by Ayr, the Silver Beach project. When FIB failed through court action to become a creditor in APD's bankruptcy, on October 10, 2014 Harris fraudulently filed a no asset bankruptcy proceedings in the U.S. by virtue of Ayr's position as parent company of APD and did not disclose the Funds held in the CCB accounts, thereby allowing FIB to circumvent the automatic stay on all of Ayr's assets and effectuate the stealing of the Silver Beach land sale funds for FIB and others benefit.
56. Upon information and belief, the second group consisted of Ayr, Harris, FIB (along with its minority shareholders: The Bank of New York Mellon, and Eaton Vance Structured Emerging Markets, and majority shareholders: Minev and Mutaftchiev), Peevski, BNB, Lyutov, Kostadinchev, Tabak Market, Cibole, Droslian, Vili Vist, Promishleno Stroitelstvo Holding, and VTB (hereinafter "the Second Group"). The Second Group engaged in fraud, conspiracy and coordinated actions to steal the Funds held in Ayr's subsidiary CCB bank accounts in favor of FIB and Peevski and the call option participants: VTB; EFV International Financial Ventures Ltd (hereinafter "EFV"); Livero Establishment (hereinafter "Livero"); TGI Middle East FZE (hereinafter "TGI"); Salam Qader Faraj (hereinafter "Faraj"); Bulgartabac Holding; and Bulgartabac Holding's subsidiaries.
57. EFV International Financial Ventures Ltd, (hereinafter "EFV") is a company registered in the British Virgin Islands (hereinafter "BVI"). Upon information and belief, EFV is owned by Tsvetan Radoev Vassilev (hereinafter "Vassilev").

58. EFV financed two call options: the Bulgartabac Holding, AD and Vivacom, AD (the largest mobile telecommunication company in Bulgaria). EFV was established by two shareholders of CCB: VTB and Vassilev (the majority shareholder and Chairman of the Supervisory Board of CCB) for the sole purpose of obtaining CCB's bank loans to finance the two call options. The CCB call option loans were in the amount of €70 M representing 79.83% of Bulgartabac and in the amount of €50M representing 33% of Vivacom.
59. Upon information and belief, TGI Middle East FZE (hereinafter "TGI"), is a company registered in Dubai, United Arab Emirates. TGI gained its interest in the Bulgartabac Holding call option by purchasing Livero's, a registered foundation in Liechtenstein, Bulgartabac Holding call option rights for €45 million. Peevski's mother, Irena Krusteva, is the owner of Livero.
60. Vassilev's EFV, based on a CCB loan between EFV and Livero, was a party to the Bulgartabac Holding call option with VTB. TGI bought Livero's EFV debt and as part of that debt extinguishment became the sole owner of Livero. Based on this transaction, VTB, based on the call options provisions and Peevski's instructions through Livero, transferred BT Invest GmbH, an Austrian registered company (owner of the privatized share of BTH) which held 79.83% of BTH, to Livero.
61. Upon information and belief, VTB conspired with these parties to effectuate the privatization of BTH in order to receive and distribute commissions based on the Funds, in which it had no ownership interest.
62. Upon Information and belief, Faraj, a citizen of the Republic of Iraq, personally and through his company, Tobacco EMEA Trade Limited, registered in Dubai, UAE, participated in the payment structure of VTB's BTH call option exercised in November 2014 in favour of TGI. Upon information and belief, Faraj personally and through his U.S.



company, Caledon Invest Inc, registered in the State Delaware, between 2000-2011, engaged in the sale of and controlled the contraband channels of Bulgartabac cigarettes in Middle East, Iran and Syria in violation of U.N., U.S. and EU sanctions resulting in financing of ISIS. Based on the exercise of VTB's BTH call option, Faraj was enabled to take and did take full control over the distribution channels of Bulgartabac cigarettes in the Middle East markets.

63. Upon information and belief, the end beneficiaries of these coordinated efforts were all the defendants and EFV, Livero, TGI and Faraj. They participated in the conspiracy for, *inter alia*, personal gain, corporate consolidation, access to contraband cigarette channels in the Middle East, and political influence.
64. BTH, albeit a recently publicly traded company, once privatized its value on the stock market is in direct relation to whether it owned the entire cycle of production and manufacturing of cigarettes, namely, whether it owned Tabak Market and Yurii Gagarin, which it did debt-free.

### **Theft of The Funds**

65. On June 20, 2014, BNB took over the Corporate Commercial Bank AD (CCB) in Sofia, Bulgaria.
66. On June 25, 2014 BNB appointed to CCB two Conservators, Lyutov and Kosdadinchev.
67. Upon information and belief, in turn, FIB, BNB, BNB's Conservators, and Peevski colluded so that the defendants would benefit from FIB's scheme with Harris, Harriott, and Angelov (the First Group). Peevski, BNB and the BNB Conservators made it possible for FIB to use the Funds in APD's accounts by granting FIB written authorization through a "Payment Order" dated October 24, 2014. FIB was therefore able, between November 13, 2014 and December 1, 2014, to transfer the Funds over to the five companies TM, Cibole,